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E.O. 12958: N/A TAGS: <u>KIPR</u> <u>ETRD</u> <u>FR</u>

SUBJECT: MPAA CEO GLICKMAN "OK" ON FRENCH COPYRIGHT LAW

REF: PARIS 5242

SENSITIVE BUT UNCLASSIFIED, NOT FOR INTERNET

11. (SBU) SUMMARY. Movie Picture Association of America (MPAA) CEO Dan Glickman informed Ambassador Stapleton September 7 that the U.S. film industry is in a better position on the French Copyright law, following the toughening up of penalties for copyright infringements by the French Constitutional Court July 27 (reftel). However, concerns remain about the level of future enforcement and the scope of the proposed new Regulatory Authority. End Summary.

MPAA Perspective

- 12. (SBU) Glickman (and Senior Vice President Chris Marcich and Legal Counsel Laurence Djolakian) expressed satisfaction with the Constitutional Court's July 27 ruling, and noted that the ruling turned out "as positive as one could have hoped for regarding penalties." A lot of "misinformation" is out there according to the MPAA about the French position, as people are still fixated on the debate that took place in Parliament earlier this year and not on the later ruling by the Constitutional Court.
- ¶3. (SBU) Glickman said for the U.S. film industry the text of the law is "livable" but that the larger concern is the political drive and popular support that still exists in Europe to take further steps on property rights issues counter to U.S. interests. Glickman said that the MPAA is not overly concerned about the interoperability requirements of the legislation, which is more of an issue for Apple and the BSA.

Ministry of Culture - Next steps according to de Vabres

14. (SBU) Glickman, who met with Minister of Culture de Vabres September 6 in what he described as a "friendly and open" meeting, relayed de Vabres intention not to wait until after the French presidential elections, but to move forward in the coming months with the implementation of the law and that he hopes to have the new regulatory authority in place before Christmas. Glickman noted that de Vabres commented that the Ministry of Culture is working with the Ministry of Justice on "instructions" to judges regarding enforcement of the new law. MPAA believes this may include a "two tiered" approach with the focus on large down loaders of content and not on individuals.

Way Forward

15. (SBU) MPAA believes now is not the time to aggressively attack the French position as this will likely stir up a divisive debate

that could become a political issue in the run up to France's presidential elections next spring. Glickman also pointed out that over 60 percent of revenue for the U.S. film industry comes from Europe. Glickman believes the USG should continue to "come down on the side of property rights" in our discussions with the French, but recognizes that the way content is delivered is in constant evolution and we need "to thread a needle" on this issue.

16. (SBU) COMMENT: Embassy appreciates that other sectors of the industry are less sanguine about the law than MPAA. Representatives of digital rights management systems in particular remain concerned about mandated interoperability requirements. With media reports indicating Minister of Interior and likely presidential contender Nicholas Sarkozy recently held a low-key reception with the French entertainment industry to talk about the copyright law, this issue remains very much on the radar screen.

Stapleton#